



Detroit  
Community  
Initiative

September 17, 2007

Ms. Mary Levine, Acting Director of Legal Affairs  
Michigan State Housing Development Authority  
735 E. Michigan Avenue  
Lansing, MI 48909

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Daisy Pringle-Sheffey

Re: 2008/2009 Draft QAP

Dear Ms. Levine,

On behalf of Detroit Community Initiative and Northeast Village CDC, we are forwarding the following public comments. You will find that we agree with many of these concerns and suggestions raised by fellow members of CEDAM and/or CDAD that have led to this progressive change in the QAP.

Over the past two years, the City of Detroit was at a competitive disadvantage due to the imposed geographical cap and the lottery feature. As an example, our Grotto Village Homes project was not funded in early 2006 due to a geographical cap. In two subsequent rounds, we received extra consideration in the lottery, but failed to draw closer than a No.13 position which resulted in no funding. This project is located in one of the most distressed communities in the State of Michigan. The proposed QAP eliminates the lottery feature other than a fifth tiebreaker. We support this change back to a point system.

On the issue of the geographical cap, MSHDA has proposed a holdback for the cities of Detroit, Hamtramck and Highland Park (DHHP). The fifty percent holdback is a responsible approach to correcting the past disparity created under the expiring QAP. The holdback also fulfills the intent of federal tax credits to provide quality affordable housing to the most distressed communities of our country.

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We would strongly suggest a reconsideration of the setaside percentage for projects in the City of Detroit's NDNI neighborhoods. Detroiters agree that the four identified NDNI areas are in need of preference in the QAP. Two schools of thought have emerged as to the best way to give preference while not deterring development in other areas of the city.

One recommendation is to lower the setaside from 40% to 30% for NDNI projects thereby freeing up funds for at least one more potential project outside of the NDNI. **Our preference is that the QAP be revised to award five (5) points to a DHHP project that is inside a NDNI neighborhood.** The point award seems to be the fairest method to balance the needs of Detroit at-large with the city's desire to foster re-development in four of the NDNI target communities.

We support the mandatory setaside within projects for the special needs community. The only question regarding this change revolves around the financial ability of the service providers to serve the needs of the residents.

Lastly, we did not see clarification on the CDC's request for dated materials (market study, environmental, title commitments) to obtain a longer shelf life. Currently those materials have a six month shelf life. We propose nine months as the benchmark. The added three months would allow for the re-use of the documents for another submission.

Thank you for your time and diligence in listening to our concerns and recommendations. We look forward to helping MSHDA strengthen Michigan

Sincerely,



Michael B. Fisher  
President/CEO

cc: CDAD  
CEDAM  
Anika Goss-Foster, NDNI  
Detroit LISC